

## Message Text

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ACTION EUR-12

INFO OCT-01 EA-07 ISO-00 AID-05 CEA-01 CIAE-00 COME-00

EB-07 FRB-03 INR-07 NSAE-00 CIEP-01 SP-02 STR-04

TRSE-00 LAB-04 SIL-01 SAM-01 OMB-01 NSC-05 SS-15 L-03

H-02 PA-01 PRS-01 USIA-06 XMB-02 OPIC-03 /095 W

----- 053688

R 161258Z DEC 75

FM AMEMBASSY BONN

TO SECSTATE WASHDC 5121

INFO USMISSION EC BRUSSELS

USMISSION OECD PARIS

AMEMBASSY MADRID

AMEMBASSY STOCKHOLM

AMEMBASSY TOKYO

AMEMBASSY VIENNA

AMCONSUL DUSSELDORF

AMEMBASSY BRUSSELS

AMEMBASSY COPENHAGEN

AMEMBASSY DUBLIN

AMEMBASSY LONDON

AMEMBASSY LUXEMBOURG

AMEMBASSY PARIS

AMEMBASSY THE HAGUE

AMEMBASSY ROME

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E.O. 11652: N/A

TAGS: EIND, ETRD, EEC

SUBJ: EC MINIMUM STEEL PRICE PROPOSAL

REF: (A) EC BRUSSELS 11173; (B) BONN 19443

1. FRG ECONMIN OFFICIAL (KUEHN) ASSURED US ON  
DECEMBER 16 THAT FRG REMAINS FIRMLY OPPOSED TO  
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PROPOSALS FOR FIXING MINIMUM STEEL PRICES. KUEHN SAID

THIS WAS ONE OF THE FEW INSTANCES IN WHICH PRODUCERS, CONSUMERS AND GOVERNMENT POLICY-MAKERS DID NOT HAVE THE SLIGHTEST DIFFERENCE OF OPINION; THUS HE WAS SURE THERE IS NOT A CHANCE THAT FRG WILL EASE ITS OPPOSITION. FRG OFFICIALS HAVE ATTACKED MINIMUM PRICE PROPOSAL IN SEVERAL DISCUSSIONS WITH COMMISSIONER SPINELLI AS WELL AS IN DECEMBER 15 113 COMMITTEE. FRG HAS ALSO TAKEN RELATIVELY RARE STEP OF INSTRUCTING GERMAN COMMISSIONERS TO OPPOSE THIS PROPOSAL.

2. SINCE THERE IS DISAGREEMENT WITHIN COMMISSION ON USE OF MINIMUM PRICES, KUEHN SAID THAT COMMISSION IS TAKING THE LINE THAT IT IS ONLY DOING TECHNICAL PREPARATORY WORK IN ORDER TO BE IN POSITION TO ACT WHEN THIS IS DEEMED NECESSARY. COMMISSION HAS AGREED NOT TO MAKE A PROPOSAL ON ARTICLE 61 TO THE COUNCIL BUT ONLY TO SUBMIT FACTS. COMMISSION WOULD THUS CEDE ITS AUTHORITY IN THIS INSTANCE, AND LEAVE DECISION TO MEMBER STATES.

3. COMMENT: THE FRG IS OBVIOUSLY NOT GOING TO PULL ANY PUNCHES IN ITS EFFORTS TO PREVENT IMPOSITION OF MINIMUM STEEL PRICES. WHILE AT TIMES THE FRG WILL STILL YIELD TO VIEWS OF OTHERS IN EFFORT REACH COMPROMISE, THESE USUALLY INVOLVE ISSUES ON WHICH THERE IS DIVISION OF OPINION WITHIN GERMANY, SUCH AS ON CAP OR REGIONAL POLICY. IN THIS CASE THE STEEL INDUSTRY AND PRIMARY CONSUMERS SUCH AS THE AUTOMOBILE INDUSTRY ARE UNITED IN THEIR SUPPORT FOR MARKET-DETERMINED PRICES. THESE ARE POWERFUL INTERESTS IN THE GERMAN ECONOMY. WE BELIEVE THE FRG CAN THUS BE COUNTED ON TO TAKE WHATEVER STEPS ARE NECESSARY IN THE COUNCIL AND ADVISORY GROUPS SUCH AS THE 113 COMMITTEE, AS WELL AS WITHIN THE COMMISSION ITSELF, TO BLOCK ANY ACTION ON STEEL WHICH CONFLICTS WITH FRG PERCEPTIONS OF ITS INTERESTS.  
HILLENBRAND

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** INDUSTRIAL PRODUCTION, POLICIES, PRICE INDEXES, STEELS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 16 DEC 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** KelleyW0  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
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**Document Unique ID:** 00  
**Drafter:** n/a  
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**Film Number:** D750436-1063  
**From:** BONN  
**Handling Restrictions:** n/a  
**Image Path:**  
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**Legacy Key:** link1975/newtext/t19751237/aaaabghd.tel  
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**Original Handling Restrictions:** n/a  
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**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** EC MINIMUM STEEL PRICE PROPOSAL  
**TAGS:** EIND, ETRD, EEC  
**To:** STATE  
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